

**TENNESSEE GENERAL ASSEMBLY
FISCAL REVIEW COMMITTEE**



FISCAL NOTE

HB 2037 - SB 2150

March 17, 2009

SUMMARY OF BILL: Requires law enforcement officers to request proof of financial responsibility in all motor vehicle violations. Current law requires proof of financial responsibility in all moving violations.

ESTIMATED FISCAL IMPACT:

Increase State Revenue – \$396,000/Recurring

Increase State Expenditures – \$2,000/One-Time

\$32,600/Recurring

Increase Local Revenue – Exceeds \$7,500/Recurring

Increase Local Expenditures – Not Significant/Recurring

Assumptions:

- The Department of Safety (DOS) estimates 6,000 new violations for failure to show proof of financial responsibility. Fifty percent (3,000) will pay a \$65 reinstatement fee and a \$19.50 driver license fee, for an increase in state revenue of \$253,500.
- Fifty dollar fines will be assessed in 50 percent of cases, for an increase in revenue of \$150,000. Of this amount, \$142,500 will be collected by the state and \$7,500 will be retained by local governments.
- State revenue is estimated to increase \$396,000 from additional fines and driver license reinstatement fees.
- The DOS indicates one new Safety Examiner 2 position will be required to handle additional phone calls and correspondence, with a salary of \$21,516 and benefits of \$11,084. One-time increase of \$2,000 for computers and supplies.
- Any increase in local expenditures for law enforcement officers to check for proof of financial responsibility is estimated to be not significant.

CERTIFICATION:

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.

A handwritten signature in black ink, reading "James W. White". The signature is fluid and cursive, with the first name "James" and last name "White" clearly legible, and "W." in the middle.

James W. White, Executive Director

/kmc